

12th Legislative District

ARMSTRONG REPORT

From Rep. Mike Armstrong



**Representative
Mike Armstrong**

2010 Legislative Update

- A session of tax increases
- DSHS reform bill sends strong message
- Armstrong ballot bill saves taxpayer money
- Data center measure to attract local jobs

P.O. Box 40600, Olympia, WA 98504-0600 • armstrong.mike@leg.wa.gov
Phone: (360) 786-7832 • Website: www.houserepublicans.wa.gov/Armstrong
Toll-Free Legislative Hotline: 1-800-562-6000

Dear friends and neighbors,

The focus of the 2010 legislative session should have been about job creation in the private sector, especially since more than 347,000 Washingtonians are unemployed and looking for jobs. Some of my colleagues and I brought solutions to the table that would have balanced the supplemental budget WITHOUT tax increases and at the same time provided jobs. Unfortunately, these proposals were ignored.

Regrettably, there were those who were intent on raising taxes, which we all know will hurt jobs and take more money from people already struggling to make ends meet in this recession.

We did have several successes. A measure I proposed that would reform the Department of Social and Health Services passed through two committees. It sent a strong message that children and vulnerable adults need better protection. We secured a tax exemption that will attract high-tech data centers to our local area, creating jobs. A bill I introduced that will save taxpayer money in elections through more cost-efficient ballot envelopes was signed into law.

Finally, I was appointed as Republican leader on the House Transportation Committee, which will give the 12th District a greater voice on transportation issues.

I appreciate your phone calls, letters and e-mails. Please contact me any time you have questions, comments or ideas related to state government. It is an honor to serve you!



Rep. Mike Armstrong

Olympia phone:
360-786-7832

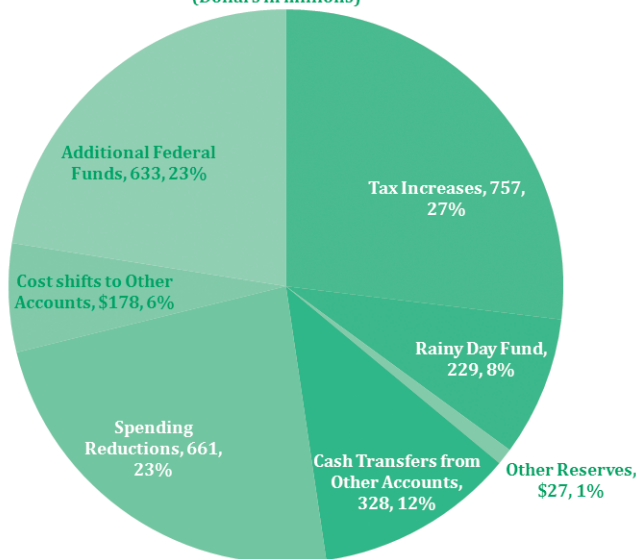
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Rep. Mike Armstrong

Armstrong fought against \$800 million tax increase

Three years ago, the state had a \$2 billion budget surplus. At that time, incoming state revenue had increased 6 percent. Yet, the Democrat majority approved a state budget that increased spending by 14.7 percent – more than double the intake. I noted in my newsletter

The majority party relies more on one-time money and tax increases than on long-term efficiencies to solve its \$2.8 billion budget problem.
(Dollars in millions)



back in 2008, “you cannot spend more than you take in.” But the Legislature did just that. Although some blame the recession for a \$9.6 billion budget shortfall last year and a \$2.8 billion shortfall this year, the reality is our state budget was in trouble long before the recession struck, due to the Legislature’s inability to control spending.

Coming into the 60-day regular session in January, the governor set the stage for tax increases

by proposing an “all-cuts budget” that would slash programs people care about most. Her strategy was to soften up people so they would be more inclined to accept tax hikes.

With statewide double-digit unemployment, several of my colleagues and I proposed a “Made in Washington” jobs agenda that would reduce costs so that employers in the private sector could retain jobs and begin hiring again. We asserted that when people are working, they are less dependent on government assistance, and they have more disposable income to spend, which in turn provides revenue for state government. Tax increases provide the opposite result. That’s why we also proposed restructuring state government and focusing our priorities of spending on education, public safety and the protection of our most vulnerable citizens.

Unfortunately, our proposals were ignored. The majority party moved immediately toward tax hikes to cover the shortfall. Their major roadblock was Initiative 960, which required a two-thirds majority of the Legislature to raise taxes. Despite our efforts to uphold the initiative, including 10 hours of floor debate, the Taxpayer Protection Act was suspended.

Majority party leaders in both the House and Senate then came to an impasse on which taxes to increase, which pushed the Legislature into a 30-day special session. Although we fought hard against tax increases, the governor and her party won out. As a result, nearly \$800 million in tax increases were approved, including tax hikes on businesses, services, real estate, soda, bottled water, cigarettes, beer, candy and gum.

Little was done to reform state spending. In fact, the final budget is less than a 4 percent reduction from the previous two-year budget and relies heavily on one-time federal money for ongoing programs. It also drains the rainy-day fund. That means next year, we may see a multi-billion deficit without federal money or a savings safety net to cover it.

ARMSTRONG REPORT

Armstrong seeks protection of children, most vulnerable through DSHS reform

A KOMO-TV news investigation discovered 116 children under the watch of the Department of Social and Health Services (DSHS) had died of abuse and/or neglect between 2002 and 2009. A Seattle Times investigation found thousands of elderly and frail adults, also under DSHS' watch, had been exploited by profiteers or abused by inadequately trained caregivers in adult-family homes.

DSHS is the state's largest agency, with more than 19,000 employees and a budget exceeding \$20 billion. Layers upon layers of bureaucracy have created an agency that is no longer effective or responsive to the citizens it serves. That's why I introduced House Bill 2197. The measure would split DSHS into four smaller, more efficient, responsive and accountable agencies, beginning with children's services.

Last year, DSHS all but ignored this legislation, expecting to continue with business as usual. That meant more children and vulnerable citizens at risk of harm or dying. But this year, with the help of the KOMO-TV report, this bipartisan measure gained tremendous support and passed two House committees. When that happened, it got the attention of DSHS Secretary Susan Dreyfus and the governor's staff person, both who came to my office when they realized this legislation may be debated on the House floor.

Although the measure was placed on the House floor calendar, it was not brought up for a vote. Still, I think we sent a strong message to DSHS that it needs to become more responsive to those it serves – or the Legislature will make the necessary changes to ensure protection of kids and the most vulnerable. Secretary Dreyfus has assured me she is seeking changes, and recently announced reforms to provide more protections for residents in adult-family homes. Nevertheless, I will be ready with this legislation if DSHS fails to keep children and the elderly safe.



Rep. Mike Armstrong speaks to a group of citizens from the 12th District who came to visit the state Capitol in January.

LEGISLATIVE SUCCESSES

Ballot envelope changes will save taxpayers' money

That little "privacy flap" on the ballot envelope you receive in the mail is very costly and does little to protect your privacy, since only Postal Service employees see your name. So to save taxpayer money, I introduced House Bill 1880. The measure, which passed the Legislature and was signed into law by the governor, gives county auditors the option of using ballot envelopes with or without that special, costly flap. It's expected this could save our local counties about \$22,000 per election.

Data centers tax exemption will create local jobs

I was pleased to support Senate Bill 6789, which creates a sales and use tax exemption for certain server equipment and power infrastructure used by computer data centers. This measure, which passed the Legislature and was signed into law, will attract more data centers to North Central Washington – and that means more jobs for local folks.

Several data centers have already located in Grant County, taking advantage of our low-cost hydropower. When they were built, it provided between 600 to 1,000 construction jobs. Then long-term jobs followed as people were hired to operate these data centers.

Data centers also generate an astounding amount of revenue for local governments. So this legislation is a winning combination because it will provide more jobs and put our state a step closer to economic recovery.

Armstrong accepts leadership position on House Transportation Committee

In March, I was honored to accept an appointment as ranking Republican on the House



Rep. Mike Armstrong now serves as Republican leader on two House committees.

Transportation Committee. I've served eight of my 10 years as a member of this committee, which considers the transportation budget and issues relating to transportation policy. As a former 21-year employee with the Washington State Department of Transportation, I'm very familiar with transportation issues across our state.

I will be working to make this more of a bipartisan committee – one that considers transportation infrastructure funding from a statewide perspective. In addition to these duties, I will also retain my leadership position

as ranking Republican on the House State Government and Tribal Affairs Committee.

Local youth serve as pages at state Capitol

It was a great pleasure to host three of our best and brightest teenagers from the 12th District who served as legislative pages in the House of Representatives. They include Megan Furman of Leavenworth, McClintock Miller of Brewster, and Zachary Winters of Wenatchee.

Paging presents students with a unique educational opportunity to participate in the legislative process. Their duties vary from ceremonial tasks, such as presenting the flags, to operational chores like distributing amendments. They also attend Legislative Page School, learning about state government and passage of legislation. Each page spends one week in Olympia and often lives with host families.

If you have a son or daughter who is at least 14, but has not yet turned 17, contact my office about getting them involved as a page. For more information, go online to: www.leg.wa.gov/House/Pages/HousePageProgram.aspx.



**Megan
Furmann**



**McClintock
Miller**



**Zachary
Winters**

**I'm here
to serve you!**

State government can seem distant and confusing. If you have a problem and don't know where to turn, perhaps I can help. Write, e-mail or call my office and I'll do my best to assist you. I work for you throughout the year, not just when the Legislature is in session. If you feel new legislation is needed or adjustments should be made to existing legislation, I also want to hear from you. Here's my contact information:

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